

From: William Rees Davis

Sent: Thursday, April 06, 2006 4:34 AM

To: Public Hearing

Subject: No 'Bank of Wal-Mart'!

It has come to my attention that you plan to hold hearings on the idea of allowing Wal-Mart to go into the banking business, and I'm taking this opportunity to denounce this idea as thoroughly corrupt and unhealthy for America.

Wal-Mart has a long history of driving smaller companies out of business with ruthless business tactics like those used by John D. Rockefeller during the so-called 'Gilded Age'. These kinds of tactics, such as undercutting prices to destroy competition, should be illegal, but in the current climate of corrupt crony capitalism that is really best described as fascism, the criminalization of Wal-Mart is unlikely to occur any time soon. Instead, the best that can be hoped is to keep Wal-Mart from taking over more segments of the economy.

A 'Bank of Wal-Mart' would threaten our financial system with a dangerous concentration of commercial and financial power. I understand that Wal-Mart is trying to use a loophole in federal law to establish its bank, which would be regulated by the FDIC and would not be subject to the same strict regulations as other banks that are regulated by the Federal Reserve. If a 'Bank of Wal-Mart' exists at all, it should be regulated as all other banks are regulated, rather than given special privileges. Target, and other non-banking entities, must not be allowed to enter the banking business either.

The major problem concerns the likely economic impact of the 'Bank of Wal-Mart' on America's communities. When the enormous bank comes to town, it will threaten the local alternatives, just like super centers have undermined so many other local stores. Then, with these critical centers of

capital gone, local businesses that compete with Wal-Mart may be forced to rely on the retail giant's bank for loans. Already, we have a dangerous trend of mergers and acquisitions in the banking industry, such that a friend of mine in the financial industry tells me, "we will end up with one big bank controlling us all." Wal-Mart will be this monstrous bank unless it is stopped.

Wal-Mart has a long and sordid history of breaking laws and then worming out of the consequences. Wal-Mart must be banned from entering the banking business.

I sincerely thank you for considering my views,